

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

**RECEIVED**

APR 19 2004

**ARIZONA CORPORATION COMMISSION**  
**DIRECTOR OF UTILITIES**

**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**

W-01751A  
Katherine Resort Water Company  
6126 Chrismark Ave.  
San Diego CA 921203706

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2003
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FOR COMMISSION USE

Ann04	03
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## COMPANY INFORMATION

Company Name (Business Name) KATHERINE RESORT WATER CO.

Mailing Address 6126 CHRISMARK AVE  
SAN DIEGO CA. 92120  
(City) (State) (Zip)

619) 286-0178  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address \_\_\_\_\_

Local Office Mailing Address Same as above  
(Street)  
(City) (State) (Zip)

Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address \_\_\_\_\_

## MANAGEMENT INFORMATION

Management Contact: C. ED SCHUETZ Gen Mgr  
(Name) (Title)  
6126 CHRISMARK AVE. SAN DIEGO, CA 92120  
(Street) (City) (State) (Zip)  
(619) 286-0178  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)  
Email Address \_\_\_\_\_

On Site Manager: BILL RAKSTON  
(Name)  
1715 Hwy 95 BULLHEAD CITY, AZ 86442  
(Street) (City) (State) (Zip)  
928) 763-3869  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)  
Email Address \_\_\_\_\_

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Ed SCHUETZ  
 (Name)  
6126 CHRIS MARK AVE SAN DIEGO, CA 92120  
 (Street) (City) (State) (Zip)  
619 286-0178  
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)  
 Attorney: Only as needed  
 (Name)  
 (Street) (City) (State) (Zip)  
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- ☐ Sole Proprietor (S)
 ☒ C Corporation (C) (Other than Association/Co-op)
- ☐ Partnership (P)
 ☐ Subchapter S Corporation (Z)
- ☐ Bankruptcy (B)
 ☐ Association/Co op (A)
- ☐ Receivership (R)
 ☐ Limited Liability Company
- ☒ Other (Describe) Corporate Subsidiary DBA

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |                                   |  |
|-------------------------------------|-----------------------------------|--|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE  | <input type="checkbox"/> COCONINO          |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM   | <input type="checkbox"/> GREENLEE          |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA | <input checked="" type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA     | <input type="checkbox"/> PINAL             |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI  | <input type="checkbox"/> YUMA              |
| <input type="checkbox"/> STATEWIDE  |                                   |  |

COMPANY NAME

Katherine Resort Water Co.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization 1961			
302	Franchises none			
303	Land and Land Rights Owned			
304	Structures and Improvements at Well site			
307	Wells and Springs One			
311	Pumping Equipment 3" & 4" pumps			
320	Water Treatment Equipment Yes			
330	Distribution Reservoirs and Standpipes Yes			
331	Transmission and Distribution Mains Yes			
333	Services 40			
334	Meters and Meter Installations Yes			
335	Hydrants 2			
336	Backflow Prevention Devices Yes			
339	Other Plant and Misc. Equipment 1 Pressure Tank w/ 2 Pressure Pumps			
340	Office Furniture and Equipment none			
341	Transportation Equipment None			
343	Tools, Shop and Garage Equipment Private			
344	Laboratory Equipment none			
345	Power Operated Equipment None			
346	Communication Equipment Tel.			
347	Miscellaneous Equipment all private			
348	Other Tangible Plant none			
	<b>TOTALS</b>	10,000 <sup>00</sup>	7,000 <sup>00</sup>	94,000 <sup>00</sup>

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

Katherine Resort Water Co

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	101,000	7.070%	7,070 <sup>00</sup>

This amount goes on Comparative Statement of Income and Expense  
Acct. No. 403.

COMPANY NAME

Katherine Jesart Water Co

**BALANCE SHEET**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
<b>ASSETS</b>			
<b>CURRENT AND ACCRUED ASSETS</b>			
131	Cash	\$ (23.44)	\$ (89.26)
134	Working Funds		<del>none</del>
135	Temporary Cash Investments	1070.15	<del>2500.00</del>
141	Customer Accounts Receivable	(200.92)	985.37
146	Notes/Receivables from Associated Companies	<del>none</del>	2500.00
151	Plant Material and Supplies	15.00	<del>none</del>
162	Prepayments	<del>none</del>	<del>none</del>
174	Miscellaneous Current and Accrued Assets	Plant only	Plant only
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$	\$
<b>FIXED ASSETS</b>			
101	Utility Plant in Service	\$ 94,000.00	\$ 94,000.00
102	Property Held for Future Use	<del>none</del>	<del>none</del>
105	Construction Work in Progress	<del>none</del>	<del>none</del>
108	Accumulated Depreciation – Utility Plant	7,000.00	7,000.00
121	Non-Utility Property	<del>none</del>	<del>none</del>
122	Accumulated Depreciation – Non Utility	<del>none</del>	<del>none</del>
	<b>TOTAL FIXED ASSETS</b>	\$	\$
	<b>TOTAL ASSETS</b>	\$ 94,000.00	\$ 94,000.00

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

*Katherine Resort Water Co.***BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 1224.45	\$ 928.53
232	Notes Payable (Current Portion)	92,000.00	92,000.00
234	Notes/Accounts Payable to Associated Companies	.. ..	.. ..
235	Customer Deposits	25.00	25.00
236	Accrued Taxes	none	none
237	Accrued Interest	@ 6% 5,554.00	11,040.00
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 98,769.45	\$ 103,993.53
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 92,000.00	\$ 92,000.00
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	non \$ set up	none Set up
252	Advances in Aid of Construction	none	none
255	Accumulated Deferred Investment Tax Credits	none	none
271	Contributions in Aid of Construction	none	none
272	Less: Amortization of Contributions	none	none
281	Accumulated Deferred Income Tax	none	none
	<b>TOTAL DEFERRED CREDITS</b>	\$ To Come	\$ none
	<b>TOTAL LIABILITIES</b>	\$ 98,769.45	\$ 103,993.53
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ NA	\$ NA
211	Paid in Capital in Excess of Par Value	10	11
215	Retained Earnings	00	11
218	Proprietary Capital (Sole Props and Partnerships)	00	11
	<b>TOTAL CAPITAL</b>	\$	\$
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 98,769.45	\$ 103,993.53

COMPANY NAME

Katherine Resort Water Co

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$13,726.51	\$14,070.85
460	Unmetered Water Revenue	none	none
474	Other Water Revenues	none	none
	<b>TOTAL REVENUES</b>	\$13,726.51	\$14,070.85
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$5400.-	\$5700.00
610	Purchased Water	none	525.-
615	Purchased Power	1197.44	1263.17
618	Chemicals	650.00	600.-
620	Repairs and Maintenance	1303.97	3,024.75
621	Office Supplies and Expense		
630	Outside Services <i>Meter Reading</i>	460.00	720.00
635	Water Testing <i>336.94 + 300 + 710.00 + 500</i>	1819.25	1876.94
641	Rents	1200.00	1200.-
650	Transportation Expenses	In Salaries	In Salaries
657	Insurance - General Liability	In Misc	In Misc
659	Insurance - Health and Life	none	none
666	Regulatory Commission Expense - Rate Case	none	aprox. 250.00
675	Miscellaneous Expense	882.94	1051.69
403	Depreciation Expense	3500.00	5,000.00
408	Taxes Other Than Income <i>Sales Tax</i>	697.87	703.50
408.11	Property Taxes	818.48	798.32
409	Income Tax <i>no income</i>	none	none
	<b>TOTAL OPERATING EXPENSES</b>	\$17,929.25	\$22,683.27
	<b>OPERATING INCOME/(LOSS)</b>	\$ (4203.44)	\$ 8,612.52
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ none	\$ none
421	Non-Utility Income	none	none
426	Miscellaneous Non-Utility Expenses	none	none
427	Interest Expense <i>none collected</i>	6,060.00	6,000.00 <i>due</i>
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$ 6,060.00	\$ 6,000.00 <i>None Pd</i>
	<b>NET INCOME/(LOSS)</b>	\$ (10,263.44)	\$ (14,612.52)



COMPANY NAME

Katherine Resort Water Co.

SUPPLEMENTAL FINANCIAL DATA

## Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	1961	60,000 <sup>00</sup>	41,000.	
Source of Loan	Parent Co			
ACC Decision No.	none			
Reason for Loan	In Install Plant, Pumps & Dist. Lines			
Dollar Amount Issued	as stated above		\$	\$
Amount Outstanding	all.	\$ 60,000.	(\$ 41,000. for new pumps)	
Date of Maturity	When Funds and Tanks in 1992			
Interest Rate	6%	become available		
Current Year Interest		\$ 3600 <sup>00</sup>	\$ 2460 <sup>00</sup>	\$
Current Year Principle	None due	\$	\$ Interest is pd in Full.	
	Then what ever is left Over after Expenses			
Meter Deposit Balance at Test Year End		\$ none		
Meter Deposits Refunded During the Test Year		\$ 450 <sup>00</sup>		

COMPANY NAME

*Katherine Resort Water Co.***WATER COMPANY PLANT DESCRIPTION****WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled <i>off</i>
08-018	20 & 20	100 ea	450'	10" & 16"	3/4, 5/8"	1900

- Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
<i>None</i>		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
3 H.P.	2	2	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
15,000 Gal.	1	5500 G.	1

COMPANY NAME

Katherine Resort Water Co.

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)****MAINS**

Size (in inches)	Material	Length (in feet)
2	Transite	300'
3	do	310'
4	do	1680'
5		
6		
8		
10		
12		

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	40
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category.

**TREATMENT EQUIPMENT:**

Chlorine Treatment System Owned by the Co.

**STRUCTURES:**

Chlorine Equipment, Housed in a Fiber Glass Enclosure Owned by the Water Co.

**OTHER:**

Sun Roofs Over Elec Power Boxes

COMPANY NAME:

Katherine Resort Water Co.

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2003**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	40	Variable	Same as
FEBRUARY	"	by the	that
MARCH	"	Month.	pumped
APRIL	"	Range	P. lat
MAY	"	usually	some
JUNE	"	From	allowance
JULY	"	200,000	for System
AUGUST	"	to	flushing
SEPTEMBER	"	400,000	end.
OCTOBER	"		or
NOVEMBER	"		spillage
DECEMBER	"		
TOTAL		N/A	

Is the Water Utility located in an ADWR Active Management Area (AMA)?

( ) Yes

☒ No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

( ) Yes

☒ No

If yes, provide the GPCPD amount: \_\_\_\_\_

What is the level of arsenic for each well on your system.

None Reported by Lab mg/l

(If more than one well, please list each separately)

**Note: If you are filing for more than one system, please provide separate data sheets for each system.**

COMPANY NAME Katherine Resort Water Co YEAR ENDING 12/31/2003

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2003 was: \$ 798<sup>32</sup>

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

COMPANY NAME Katherine Resant Water Co. YEAR ENDING 12/31/2003

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported  
Estimated or Actual Federal Tax Liability

No Income to report.  
none

State Taxable Income Reported  
Estimated or Actual State Tax Liability

None  
none

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances  
Amount of Gross-Up Tax Collected  
Total Grossed-Up Contributions/Advances

N.A.

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

C. Ed Schuetz 4-12-04  
SIGNATURE DATE

C. ED SCHUETZ Gen Mgr.  
PRINTED NAME TITLE

VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only

RECEIVED

APR 19 2004

VERIFICATION

STATE OF Calif

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
<u>San Diego</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>Gen Mgr.</u>
COMPANY NAME
<u>Katharine Resort Water Co</u>

2 CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

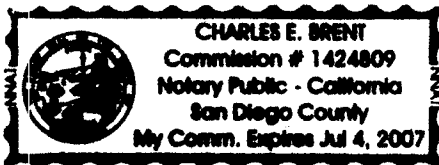
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:



Arizona IntraState Gross Operating Revenues Only (\$)

\$ 14,070.<sup>85</sup>

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 670.00  
IN SALES TAXES BILLED, OR COLLECTED

\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS Thirteenth DAY OF

(SEAL)

MY COMMISSION EXPIRES 7-4-07

Charles E. Brent  
SIGNATURE OF OWNER OR OFFICIAL  
(619) 286-0178  
TELEPHONE NUMBER

COUNTY NAME	<u>San Diego</u>	
MONTH	<u>April</u>	<u>2004</u>

Charles E. Brent  
SIGNATURE OF NOTARY PUBLIC

VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY

**RECEIVED**

APR 19 2004

VERIFICATION

ARIZONA CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <i>Maricopa</i>	
NAME (OWNER OR OFFICIAL) <i>Charles E. Brent</i>	TITLE <i>Notary Public</i>
COMPANY NAME <i>Katherine Resort Water Co</i>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

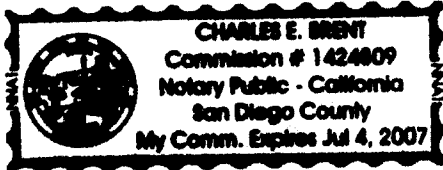
IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2003 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 14,070<sup>85</sup>

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 670.00  
IN SALES TAXES BILLED, OR COLLECTED

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.



*Charles E. Brent*  
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

*thirteenth*

DAY OF

NOTARY PUBLIC NAME <i>Charles E. Brent</i>	
COUNTY NAME <i>San Diego</i>	
MONTH <i>April</i>	. 20 <i>04</i>

(SEAL)

MY COMMISSION EXPIRES *7-4-07*

X *Charles E. Brent*  
SIGNATURE OF NOTARY PUBLIC